

The Governance committee moves that the Assembly adopt the following policy, that the policy be posted on the Assembly web site, and that the Assembly chair send a copy of the policy to each of the chancellors, and faculty chairs of the sixteen campuses.

↳ chief academic officer,

Standards of Shared Governance on the 16 UNC Campuses

Preamble

A strong tradition of shared governance is essential to the excellence of any institution of higher learning. This principle is embodied in Section 502D(2) of the *Code of the Board of Governors*, which makes it the responsibility of the chancellor of each constituent institution of The University of North Carolina to ensure that the institution's faculty has the means to give effective advice with respect to questions of academic policy and institutional governance, with particular emphasis upon matters of curriculum, degree requirements, instructional standards, and grading criteria, and that the appropriate means of giving such advice is through an elected faculty senate or council and an elected chair of the faculty. To the end that chancellors may more effectively carry out this responsibility, the Faculty Assembly commends the following statement of essential standards of governance.

Definitions

As used in this document, the following terms have the meanings indicated:

1. "**Faculty**" includes all persons holding full-time tenure-track appointments in the institution and such other faculty members and librarians as may have been accorded voting privileges in faculty elections.
2. "**Faculty senate**" means the elective body, by whatever nomenclature, empowered by the faculty to exercise its legislative powers.
3. "**Chair of the faculty**" means the faculty member, by whatever nomenclature, elected by the faculty at large or by the faculty senate as the chief faculty officer and spokesperson.

The Faculty Senate

1. The faculty senate must hold regularly scheduled meetings throughout the academic year.
2. With few exceptions, voting membership of the senate must be limited to elected faculty representatives.
3. Members of the senate must represent the academic units of the institution and must be elected directly by the faculty of those units.
4. While it is the chancellor's prerogative to preside over the senate, it is preferable and customary for the chancellor to delegate this privilege to the chair of the faculty, especially for those portions of meetings during which the senate is deliberating on questions of academic policy and institutional governance.
5. The officers of the senate must be elected by the membership of that body or by the faculty at large.

6. The structure, method of election, and powers of the senate must be specified in a document approved by and amendable by the faculty at large or its designated representatives.
7. Procedures for the operation of the senate must be established by reference to recognized authorities such as Roberts' Rules of Order or in published bylaws adopted by the senate.
8. The senate must be given adequate resources to ensure effective governance, including:
 - a. an adequate budget
 - b. reasonable authority over its budget
 - c. adequate office space
 - d. adequate secretarial support

The Chair of the Faculty

1. There must be a chair of the faculty who is elected either by the faculty at large or by the faculty senate. The chair of the faculty shall be the chief spokesperson for the faculty.
2. The chair of the faculty must be allowed reassigned time commensurate with the duties of the office.

Faculty Governance Responsibilities

1. The legislative and consultative powers of the faculty must be codified in a published governance document approved by and amendable by the faculty or their elected representatives.
2. The university's curriculum is the responsibility of the faculty. The faculty, acting as a committee of the whole or through representatives elected by the faculty or designated pursuant to procedures established by faculty legislation, must give approval to academic policies prior to their implementation, including but not limited to the following:
 - a. graduation requirements
 - b. the undergraduate curriculum
 - c. the establishment, merger, or discontinuation of departments, schools, and colleges
 - d. the establishment of new degree programs (including online programs)
 - e. the establishment of or substantive changes to majors
 - f. the elimination or consolidation of degree programs
 - g. the establishment of individual new courses
 - h. admissions policies
 - i. attendance and grading policies
 - j. grade-appeal procedures
 - k. drop/add policies
 - l. course-repeat policies
 - m. policies for honors programs
 - n. honor-code policies
3. The curriculum leading to and policies with respect to the award of graduate and professional degrees must be established by the faculties of the schools or colleges that admit and certify candidates for those degrees.
4. The faculty, through its designated representatives, must be consulted on any proposal to adopt or amend campus policies of reappointment, tenure, and promotion, and of post-

tenure review. It is expected that any such proposals will be initiated by the faculty, and that full opportunity for faculty analysis and discussion will be allowed before any modifications in such proposals are adopted.

5. The faculty, through its designated representatives, must be afforded full opportunity to review and approve faculty handbooks, academic policy manuals, and any institutional policy statements that affect the faculty's teaching, research, or conditions of employment.
6. For joint committees on which the faculty is represented:
 - a. Faculty representation must appropriately reflect the degree of the faculty's stake in the issue or area the committee is charged with addressing.
 - b. The faculty members of joint committees must be selected in consultation with the elected faculty leadership or by processes approved by the senate.
7. The granting of honorary degrees is a prerogative of the faculty. All nominees for honorary degrees must be approved by the faculty or its designated representatives before final approval by the board of trustees.

Administration-Faculty Collegiality

1. A collegial, candid, and cooperative relationship should exist between the administration and the faculty. When requested, administrators should appear before the senate and respond to questions.
2. It is expected that senior administrators will uphold the decisions of the senate in areas in which the faculty has primary responsibility, such as curriculum and tenure/promotion policies.
3. The chancellor and other senior administrators should consult in a timely way and seek meaningful faculty input on issues in which the faculty has an appropriate interest but not primary responsibility, including but not limited to the following:
 - a. the university mission, emphases, and goals
 - b. budget
 - c. campus master plan or strategic plan
 - d. building construction
 - e. enrollment growth
 - f. tuition policy
 - g. student discipline
 - h. intercollegiate athletics
 - i. faculty and staff benefits
 - j. libraries and other research facilities
4. The chancellor should effectively advocate the principles of shared governance to the Board of Trustees.
5. The chancellor should typically sustain the recommendations of faculty tenure, hearings, and grievance committees. When the chancellor acts against the recommendations of such committees, the chancellor should meet with the committee or otherwise adequately communicate the reasons for not sustaining its recommendations.
6. The Board of Trustees should exercise due respect for the governance prerogatives of the faculty.

7. The faculty should participate meaningfully in the selection of academic administrators through membership on search/hiring committees and the opportunity to meet and comment on "short-listed" candidates before hiring decisions are made.
8. The faculty of each college, school, or department should be consulted in the appointment or reappointment of the dean or department chair either through majority membership on the search or evaluation committee or by direct consultation with the appointing administrator either in person or by other means approved by the faculty senate.
9. The term of appointment of academic deans and department chairs should not exceed five years. If appointed for an indefinite term, an academic dean or department chair should be formally evaluated for continuation in office not less frequently than every five years.
10. The chancellor or provost, in consultation with the faculty senate, should establish effective procedures that enable members of the faculty having voting privileges to regularly evaluate the performance of senior administrators. This evaluation should be in addition to and independent of the mandated periodic evaluation of administrators by the chancellor or the board of trustees.

Compliance

It is the responsibility of the faculty of each campus to advocate, seek, and monitor the campus's adherence to the Standards of Shared Governance. When a campus is not in compliance with one or more standards, faculty should seek resolution through processes at the campus level. However, when the faculty's sustained efforts to secure compliance have not been successful, the faculty, through its senate or the chair of the faculty, is encouraged to consult with the officers of the Faculty Assembly, who will bring the matter to the attention of the President and work with all parties to achieve a resolution.

Faculty
Assembly

11/01

WHEREAS the Office of the President has articulated the significant budget reductions and reversions of the past several years, that these budget reductions were exacerbated by significant increases in the cost of living, and that opportunities lost during this period are enormous and will continue to have a negative impact on the experience of UNC students, faculty, and staff for years to come; and

WHEREAS budget cuts will be detrimental to the quality of education systemwide, endangering both access to higher education and the national reputation of North Carolina's system of higher education.

THEREFORE, BE IT RESOLVED THAT
Academics be the primary budget priority and sustain as small a budget cut as possible, and

BE IT FURTHER RESOLVED that the Office of the President disproportionately shield academic affairs throughout the system and historically minority institutions within the system, and

BE IT FURTHER RESOLVED that, in the event that there are any budget reductions to the university system, the Office of the President and each campus be allowed "management flexibility" as pertains to budget cuts, and

BE IT FURTHER RESOLVED that the decision making process at each campus include faculty input and faculty representation as determined by the faculty governing body.

Academic Freedom and Tenure Cmte.

Resolution Opposing North Carolina State Senate Bill 1139

WHEREAS academic freedom is necessary to advance all areas of human knowledge;

WHEREAS government control of university teaching and research is antithetical to the free exchange of ideas;

WHEREAS numerous protections for the academic freedom of both students and faculty alike are already substantively built into the codes, missions, and visions of the University of North Carolina; and

WHEREAS the practical effect of Senate Bill 1139 would be to remove professional academic judgment as the standard for decisions about teaching and research in the University of North Carolina.

THEREFORE BE IT RESOLVED THAT:
The University of North Carolina Faculty Assembly opposes Senate Bill 1139.

Further, we urge the President of the University of North Carolina ~~the~~ legislature, and the governor to oppose this bill.

**The University of North Carolina
Potential Budget Reductions Scenarios at 4% for 2005-07**

Given the fiscal constraints of the state of North Carolina during the past several years, the University of North Carolina has undergone significant budget reductions and required reversions. Since fiscal year 2001-02, UNC institutions have endured permanent budget reductions of approximately \$170 million, and have been under mandatory budget reversions in three of those years that amounted to more than \$330 million in operating funds, along with an additional \$54 million in repair and renovation funds. At the same time, these budget reductions were exacerbated by significant increases in the cost of living, energy, transportation, and just about every other industry. For certain, the opportunities foregone during this period of time are enormous, and they will impact the experience of UNC students, faculty and staff for many years to come.

During these past budget reductions, the General Assembly allowed the University to manage percentage reductions, thereby minimizing the impact these reductions would have on the instructional mission of each campus. Nevertheless, increasing rounds of budget reductions and required reversions have had a substantial impact, especially since previous percentage reductions had been made on the entire University budget, with no exclusions for instruction, research, public service, or economic development activities. The campuses endeavored to preserve funding for these programs, however, and as a result, the remaining portions of the University budget have shouldered reductions much higher than those percentages, on the surface, would suggest. Previous budget cuts to those departments and divisions that provide crucial support services (e.g. facilities, finance and regulatory compliance, information technology, student services and libraries) have had a detrimental impact not only on basic campus operations, but also on our ability to provide the same level of quality with respect to student experience. Losses of SPA and EPA non-teaching positions have been particularly detrimental to campus operations. And although these positions are non-faculty/non-classroom positions, they are nevertheless vital to the education of our students. Indeed, the 2004-05 budget reductions resulted in the elimination of positions that provided enrollment management, academic and financial aid advising, admissions counseling, orientation, housekeeping, security, information technology, buildings and grounds maintenance, financial accountability, library

services, and course registration and scheduling. In addition, some positions that provided services to schools and communities across the state were eliminated. Further reductions in these areas are likely to have an immediate and deleterious impact on student recruitment, retention, and graduation rates.

The majority of UNC institutions have expressed growing concerns about their diminishing ability to adequately maintain and repair equipment, buildings and grounds. As a direct result of these reductions, UNC campus budgets for equipment, supplies, and materials have been significantly curtailed. This especially impacts the focused-growth campuses, which have worked deliberately to improve the physical appearance of facilities and grounds. While deeply appreciative of the funding for new buildings and renovations made possible by the November 2000 bond referendum, Chancellors are definitely concerned about operating with fewer dollars as they attempt to maintain and equip expanding facilities. Consequently, students will neither be trained on nor have access to the most advanced equipment, because the campuses will not be able to purchase the latest technological equipment.

Although institutions have worked hard to minimize the impact from previous rounds of budget reductions on the classroom, the University has not been able to completely insulate the largest component of its budget, classroom instruction, from required reductions. In fact, since fiscal year 2002-03, the teaching capacity of campuses has been reduced by 343 faculty positions. This occurred during the same two-year period that UNC institutions experienced an historic enrollment growth of more than 13,300 students, or the equivalent of a campus approaching the size of Appalachian State University. The loss of core teaching faculty during a time of surging enrollments affects students directly, reducing the number and types of courses offered, increasing student to faculty ratios, and decreasing the time any single faculty member has available to teach, advise, and mentor students. Additional budget cuts would inevitably result in even more courses being taught by adjunct and part-time (non tenure-track) instructors. While this is not the most desirable option for any of the campuses, it has been one tool Chancellors have used to respond to increasing enrollment demand during a time of corresponding budget reductions.

Although non-personnel expenditures account for only 25 percent of the University's budget, they have been a frequent target for budget reductions. The capacity to absorb reductions in those areas has been largely exhausted by previous rounds of budget reductions. Further

reductions to equipment, library books and similar line items would force cancellations of library periodicals, hamper physical plant and maintenance operations, reduce security controls, and create additional barriers to using updated equipment and technology to educate students. In fact, multiple universities have noted increasing concerns in attempting to provide the level of equipment needed to maintain and support accreditation for academic programs. The use of old, outdated and limited materials, be it instructional equipment or library resources, necessarily affects the quality of instruction that students receive. Given that previous rounds of cuts targeted these budgets, further reductions in these line items would seriously diminish support services to our faculty and our students, impact our commitment to community services, and challenge our ability to meet our regulatory compliance obligations.

In addition, given the cumulative effects of previous rounds of budget reductions and required reversions, it is obvious that protecting the classroom from this proposed round of budget reductions will not be possible. In fact, most campuses anticipate that budget reductions at even the one percent level would require reductions in faculty positions. This escalates rapidly as the percentage increases. By the three and four percent levels, respectively, campuses would be reducing a total of 320 and 442 faculty positions, many of which are now filled by full professors or by adjunct and temporary faculty that were hired in the aftermath of the last round of budget cuts.

To help offset these budget cuts, the Board of Governors, in prior years, has approved campus-initiated tuition increases. These funds have been used to maintain competitiveness of faculty salaries in the face of little availability of salary increase funding from the state. For the increases effective in 2004-05, the Board mandated that campuses use those funds to improve the quality of the academic experience of students. This decision was precipitated by the Board's concern that students were beginning to feel the impact of successive rounds of budget reductions and reversions. Then, because students have increasingly expressed serious concerns about rising tuition in the face of decreased services and quality of the campus experience, the Board of Governors did not approve any tuition increases requested by the campuses for resident undergraduate students in 2005-06. The University hopes that the General Assembly can honor the spirit of this resolution, by maintaining the University's budget and not requiring further reductions.

If reductions are absolutely necessary, however, it is important to note that the University and in fact the state, would be better served by allowing the Chancellors to make decisions about how to reduce their budgets rather than designating line item reductions. This would allow the campuses to continue to work to minimize the impact of the reductions, to take more time to engage the campus communities in the effort, and to exercise careful deliberations in a process to reach the most optimal conclusion. Line item reductions, or a combination of line item reductions and flexibility reductions, would not appropriately take into account the unique positions and mission of each campus. Indeed, they would likely duplicate or overlap previous reductions and do irreparable damage to the institutions.

As requested by the Fiscal Research staff, the proposed reductions are shown in priority order, with the lowest impact and thus the preferred options being at the lower levels of percentage reductions. A summary spreadsheet for all UNC entities is attached. It is important to note that these scenarios do not make any exceptions for high school programs at the North Carolina School of the Arts and the North Carolina School of Science and Mathematics, nor do they make exceptions for the University's K-12 and student financial aid programs, or the Aid to Private Colleges programs, all of which have been granted exclusions or adjustments to budget reductions in recent years.

A 1-percent reduction across the UNC budget equates to \$19.6 million. Reductions at this lowest magnitude would require the elimination of more than 200 positions, many of which are currently filled. Campuses would be forced to cut non-personnel budgets in instruction, instructional support services, student support services, and libraries by \$4.5 million. Even at the 1-percent level, Chancellors anticipate they would need to decrease 78 faculty positions. UNC Wilmington, for example, estimates that for each faculty position it would be required to cut on an annual basis, 6 class sections would also need to be cut. Extrapolating this example to each campus would mean that 468 course sections would be unavailable to students as a result of a 1-percent budget reduction across the University. Any reduction of faculty positions would cause increases in class sizes, decreases in course section offerings, impediments to enrollment and retention goals, and potentially increase the time it takes for students to complete degree programs.

A 2-percent reduction equates to \$39.1 million and would require the reduction of 423 positions totaling \$24.9 million, of which 207 would be faculty position reductions. In addition,

it would necessitate the reduction of \$7.4 million from non-personnel budgets in instruction, libraries, instructional and student support services.

A 3-percent reduction equates to \$58.7 million and would require the reduction of 672 positions totaling \$39 million, of which 320 would be faculty position reductions. An additional \$10.2 million would be reduced from non-personnel budgets in instruction, libraries, instructional, and student support services. At the 3-percent level, it is important to note that more than half of the required position reductions would not come from vacant positions or reductions in temporary staff and adjunct faculty. Instead, almost 350 of the position reductions would come from positions currently filled.

A 4-percent reduction equates to \$78.2 million and would require the reduction of 908 positions totaling \$53.6 million, of which 442 would be faculty position reductions. Of the 908 positions, campuses estimate that approximately 500 would come from filled positions. And an additional \$13.1 million would need to be reduced from non-personnel budgets in instruction, libraries, instructional and student support services.

Included in these figures are decreases for UNC General Administration, which encompasses not only the UNC Office of the President, but also a number of affiliates and organizations that fall under the UNC umbrella and the administrative oversight of the President. Other external organizations affiliated with the University, and included in our summary reductions, include the UNC Center for Public Television, the NC Center for the Advancement of Teaching, the NC School of Science and Mathematics, the NC Arboretum, UNC Hospitals, the ECU Brody School of Medicine, and the Aid to Private Colleges Programs.

The proposed 4-percent budget reductions, if enacted, would have long-term detrimental impact on the University's operations. Our 16 campuses would be sorely challenged to provide expected programs and services in the wake of repeated reductions in student affairs, academic support, necessary administrative functions, and other critical areas. And, the proposed reductions would seriously damage important efforts and progress currently underway on the campuses, including improvements to graduation and retention rates, increasing production of teachers and nurses, and ensuring continued access to traditional and non-traditional students.

The University of North Carolina
 Potential Budget Reductions for 2005-07
 UNC Summary including Affiliates

2004-05 Worksheet I Authorized Budget

1,955,801,268

| | 1% Reduction | | 2% Reduction | | 3% Reduction | | 4% Reduction | |
|--|---------------------|------------------|---------------------|------------------|---------------------|------------------|---------------------|------------------|
| | Number of Positions | Reduction Amount | Number of Positions | Reduction Amount | Number of Positions | Reduction Amount | Number of Positions | Reduction Amount |
| Eliminate vacant positions | | | | | | | | |
| SPA | (42.47) | (1,529,945) | (60.23) | (2,144,047) | (87.46) | (2,966,590) | (102.63) | (3,479,468) |
| EPA Non-Faculty | (12.14) | (765,179) | (22.24) | (1,337,683) | (31.97) | (1,873,842) | (36.98) | (2,238,182) |
| EPA Faculty | (68.60) | (5,006,611) | (147.33) | (10,754,944) | (204.01) | (15,040,713) | (267.62) | (19,853,244) |
| Total vacant positions eliminated | (123.21) | (7,301,735) | (229.80) | (14,236,674) | (323.44) | (19,881,145) | (407.23) | (25,570,894) |
| Eliminate filled positions | | | | | | | | |
| SPA | (52.63) | (1,858,314) | (106.34) | (3,792,094) | (184.50) | (6,707,599) | (257.16) | (9,569,860) |
| EPA Non-Faculty | (15.91) | (1,086,180) | (26.66) | (1,914,672) | (47.55) | (3,315,885) | (69.45) | (4,813,479) |
| EPA Faculty | (9.49) | (843,489) | (60.21) | (4,991,134) | (116.46) | (9,181,719) | (174.61) | (13,606,290) |
| Total filled positions eliminated | (78.03) | (3,787,983) | (193.21) | (10,697,900) | (348.51) | (19,205,203) | (501.22) | (27,989,629) |
| Reduce temporary/contracted wages | | (617,997) | | (762,997) | | (986,061) | | (1,276,302) |
| Reduce non-personnel budgets in instruction/library/instructional support services | | (2,578,189) | | (3,832,998) | | (4,965,467) | | (6,536,099) |
| Reduce non-personnel budgets in community service/outreach | | (535,167) | | (934,915) | | (1,489,300) | | (1,850,450) |
| Reduce non-personnel budgets in student support services | | (1,882,826) | | (3,557,553) | | (5,194,075) | | (6,589,929) |
| Reduce non-personnel budgets in administrative support services* | | (2,854,116) | | (5,092,989) | | (6,952,786) | | (8,418,747) |
| Total Reductions | (201.24) | (19,558,013) | (423.01) | (39,116,026) | (671.95) | (58,674,037) | (908.45) | (78,232,050) |
| Reduction Target | | 19,558,013 | | 39,116,026 | | 58,674,037 | | 78,232,050 |

* includes UNC Institutional Programs (Code 16011) reduction to Information technology services

Additional Information:

2004-05 Authorized Budget as of December 31 1,963,590,390

2005-06 Governor's Recommended Budget 2,013,760,002

3/24/05